

Silver.

SPEECH

OF

HON. JOSEPH W. BAILEY,

OF TEXAS,

IN THE HOUSE OF REPRESENTATIVES,

Monday, August 28, 1893.

The House having under consideration the bill (H. R. 1) to repeal a part of an act, approved July 14, 1890, entitled "An act directing the purchase of silver bullion and the issue of Treasury notes thereon, and for other purposes," the question being on the engrossment and third reading of the bill—

Mr. BAILEY said:

Mr. SPEAKER: I desire to submit an amendment.

Mr. COCKRAN. I make the point of order that no amendment is in order, under the rule.

Mr. BAILEY. I send the amendment to the Clerk's desk, in order to have it read.

Mr. TRACEY. I raise the point of order against any amendment.

The SPEAKER. The gentleman from Texas submits an amendment, and the gentleman from New York makes the point against any amendment being in order. The Chair will hear the gentleman from Texas on that proposition.

Mr. BLANCHARD. Have the amendment read.

Mr. BAILEY. I will ask to have the amendment read.

The SPEAKER. The Chair will hear the gentleman from Texas on the point of order.

Mr. BAILEY. I will ask the Clerk to read the amendment I have offered.

The Clerk read as follows:

Strike out all after the word "coined" and beginning with the word "and" in line 16 on page 2.

The words proposed to be stricken out are as follows:

"And the faith and credit of the United States are hereby pledged to maintain the parity of the standard gold and silver coins of the United States at the present legal ratio or such other ratio as may be established by law."

Mr. BAILEY. Mr. Speaker, I submit that the special order which provided for offering certain amendments was intended simply to make those amendments germane and not to exclude the House from the consideration of other amendments that are germane under general parliamentary law. In other words, as

I understand it, many of us believed that the propositions upon which we have been voting so far would have been subject to a point of order if offered as amendments to the bill introduced by the gentleman from West Virginia [Mr. WILSON], and in order to make these amendments germane, and thus to eliminate all question as to their pertinency, it was agreed that we should adopt a special order under which they could be considered: but I do not suppose that any intelligent gentleman was willing to agree to an order, or willing to reach a compromise, that denied him the right to offer an amendment to a bill which he had never read. We did not know what the bill contained. Suppose, Mr. Speaker, the gentleman from West Virginia had seen fit to conclude his bill with a proposition expressly authorizing the Secretary of the Treasury to issue gold bonds to make safe the gold reserve in the Treasury; is it to be understood that the gentlemen who are willing and anxious to vote for the repeal of the purchasing clause of the Sherman act should stand committed to its support without an opportunity to strike out the bond provision? While I understand this special order did make these amendments germane, I do not understand it to go so far as to say that other amendments, being germane, would be denied consideration.

This bill does not reenact the language of the law, a portion of which it repeals; it goes further. The language of the act of July 14, 1890, is that "it is the established policy of the Government to maintain the parity of the two metals." This bill "pledges the faith and credit of the United States to maintain the parity," not of the metals, but of the coin.

The words which I have proposed to strike out have no proper place in a bill to repeal the purchasing clause of the Sherman law. If the House is determined upon the unconditional repeal of that part of that act, it ought to stop there, and not insert a provision which effects a radical change in the relation of our gold and silver coin. Each is now a money of ultimate payment, and neither is redeemable in the other. They ought to remain so, at least until it is demonstrated that they can not be kept in circulation on equal terms. That time will never come. With 39,000,000 people and a much smaller volume of business than ours, France easily maintains \$700,000,000 of silver money which is not convertible into gold. Our entire stock of silver money, including silver certificates and subsidiary coin, is only about \$615,000,000, and it can not be possible that we must make this redeemable in gold in order to keep it from depreciating.

Gentlemen on the other side have complained all through this debate that we were misrepresenting them when we charged that they were attempting to destroy a part of the money of the country. They have declared that they were, in fact, endeavoring to preserve the silver money which we already have by protecting it against a further increase. And yet, sir, their bill not only discontinues the use of silver as a means of enlarging our circulating medium, but it absolutely degrades our silver dollars and our silver certificates into mere credits redeemable in gold.

There is no escape from this conclusion: Whenever one coin is made redeemable in another, the coin to be redeemed ceases to be money in the true sense of that word. Prof. Price defines

the difference between paper and coin to be that "coin is a payment, while paper is only a promise to pay," and a coin which is not in itself a money of final payment, but which is a promise to pay in another coin, is nothing more than a paper currency; and if this bill becomes a law, it would be better for us to use paper than silver, because it is both cheaper and more convenient.

Under the last clause of this bill the \$330,000,000 silver certificates, the \$346,000,000 greenback notes, and the \$150,000,000 coin notes issued under the Sherman act are all made redeemable in gold, and it requires no special wisdom to discern that a suitable reserve fund for this more than \$800,000,000 liability will be provided by selling gold bonds.

Mr. DINGLEY. I desire to make the point of order that the gentleman is not confining himself to the point of order.

The SPEAKER. The gentleman from Maine makes the point of order that the gentleman from Texas is not discussing the point of order.

Mr. BAILEY. Mr. Speaker, I was striving to show that on account of the great importance of the matter, the utmost liberality should be observed in construing the special order.

